

## **Chapter 2 Urban Renewal**

### **Part 1 Urban Renewal Project Area Plan**

#### **17C-2-101.1 Title.**

This chapter is known as "Urban Renewal."

Enacted by Chapter 350, 2016 General Session

#### **17C-2-101.2 Applicability of chapter.**

This chapter applies to an urban renewal project area that is effective:

- (1) before May 10, 2016; or
- (2) before September 1, 2016, if an agency adopted a resolution in accordance with Section 17C-2-101.5 before April 1, 2016.

Enacted by Chapter 350, 2016 General Session

#### **17C-2-101.5 Resolution designating survey area -- Request to adopt resolution.**

- (1) A board may begin the process of adopting an urban renewal project area plan by adopting a resolution that:
  - (a) designates an area located within the agency's boundaries as a survey area;
  - (b) contains a statement that the survey area requires study to determine whether:
    - (i) one or more urban renewal project areas within the survey area are feasible; and
    - (ii) blight exists within the survey area; and
  - (c) contains a boundary description or map of the survey area.
- (2)
  - (a) Any person or any group, association, corporation, or other entity may submit a written request to the board to adopt a resolution under Subsection (1).
  - (b) A request under Subsection (2)(a) may include plans showing the project area development proposed for an area within the agency's boundaries.
  - (c) The board may, in the board's sole discretion, grant or deny a request under Subsection (2)(a).

Renumbered and Amended by Chapter 350, 2016 General Session

#### **17C-2-102 Process for adopting urban renewal project area plan -- Prerequisites -- Restrictions.**

- (1)
  - (a) In order to adopt an urban renewal project area plan, after adopting a resolution under Subsection 17C-2-101.5(1) the agency shall:
    - (i) unless a finding of blight is based on a finding made under Subsection 17C-2-303(1)(b) relating to an inactive industrial site or inactive airport site:
      - (A) cause a blight study to be conducted within the survey area as provided in Section 17C-2-301;

- (B) provide notice of a blight hearing as required under Chapter 1, Part 8, Hearing and Notice Requirements; and
- (C) hold a blight hearing as described in Section 17C-2-302;
- (ii) after the blight hearing has been held or, if no blight hearing is required under Subsection (1)
  - (a)(i), after adopting a resolution under Subsection 17C-2-101.5(1), hold a board meeting at which the board shall:
    - (A) consider:
      - (I) the issue of blight and the evidence and information relating to the existence or nonexistence of blight; and
      - (II) whether adoption of one or more urban renewal project area plans should be pursued; and
    - (B) by resolution:
      - (I) make a finding regarding the existence of blight in the proposed urban renewal project area;
      - (II) select one or more project areas comprising part or all of the survey area; and
      - (III) authorize the preparation of a proposed project area plan for each project area;
  - (iii) prepare a proposed project area plan and conduct any examination, investigation, and negotiation regarding the project area plan that the agency considers appropriate;
  - (iv) make the proposed project area plan available to the public at the agency's offices during normal business hours;
  - (v) provide notice of the plan hearing in accordance with Sections 17C-1-806 and 17C-1-808;
  - (vi) hold a plan hearing on the proposed project area plan and, at the plan hearing:
    - (A) allow public comment on:
      - (I) the proposed project area plan; and
      - (II) whether the proposed project area plan should be revised, approved, or rejected; and
    - (B) receive all written and hear all oral objections to the proposed project area plan;
  - (vii) before holding the plan hearing, provide an opportunity for the State Board of Education and each taxing entity that levies a tax on property within the proposed project area to consult with the agency regarding the proposed project area plan;
  - (viii) if applicable, hold the election required under Subsection 17C-2-105(3);
  - (ix) after holding the plan hearing, at the same meeting or at a subsequent meeting consider:
    - (A) the oral and written objections to the proposed project area plan and evidence and testimony for and against adoption of the proposed project area plan; and
    - (B) whether to revise, approve, or reject the proposed project area plan;
  - (x) approve the proposed project area plan, with or without revisions, as the project area plan by a resolution that complies with Section 17C-2-106; and
  - (xi) submit the project area plan to the community legislative body for adoption.
- (b)
  - (i) If an agency makes a finding under Subsection (1)(a)(ii)(B) that blight exists in the proposed urban renewal project area, the agency may not adopt the project area plan until the taxing entity committee approves the finding of blight.
  - (ii)
    - (A) A taxing entity committee may not disapprove an agency's finding of blight unless the committee demonstrates that the conditions the agency found to exist in the urban renewal project area that support the agency's finding of blight under Section 17C-2-303:
      - (I) do not exist; or
      - (II) do not constitute blight.
    - (B)

- (I) If the taxing entity committee questions or disputes the existence of some or all of the blight conditions that the agency found to exist in the urban renewal project area or that those conditions constitute blight, the taxing entity committee may hire a consultant, mutually agreed upon by the taxing entity committee and the agency, with the necessary expertise to assist the taxing entity committee to make a determination as to the existence of the questioned or disputed blight conditions.
  - (II) The agency shall pay the fees and expenses of each consultant hired under Subsection (1)(b)(ii)(B)(I).
  - (III) The findings of a consultant under this Subsection (1)(b)(ii)(B) shall be binding on the taxing entity committee and the agency.
- (2) An agency may not propose a project area plan under Subsection (1) unless the community in which the proposed project area is located:
  - (a) has a planning commission; and
  - (b) has adopted a general plan under:
    - (i) if the community is a municipality, Title 10, Chapter 9a, Part 4, General Plan; or
    - (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.
- (3)
  - (a) Subject to Subsection (3)(b), a board may not approve a project area plan more than one year after adoption of a resolution making a finding of blight under Subsection (1)(a)(ii)(B).
  - (b) If a project area plan is submitted to an election under Subsection 17C-2-105(3), the time between the plan hearing and the date of the election does not count for purposes of calculating the year period under Subsection (3)(a).
- (4)
  - (a) Except as provided in Subsection (4)(b), a proposed project area plan may not be modified to add real property to the proposed project area unless the board holds a plan hearing to consider the addition and gives notice of the plan hearing as required under Sections 17C-1-806 and 17C-1-808.
  - (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a proposed project area plan being modified to add real property to the proposed project area if:
    - (i) the property is contiguous to the property already included in the proposed project area under the proposed project area plan;
    - (ii) the record owner of the property consents to adding the real property to the proposed project area; and
    - (iii) the property is located within the survey area.

Amended by Chapter 350, 2016 General Session

**17C-2-103 Urban renewal project area plan requirements.**

- (1) Each urban renewal project area plan and proposed project area plan shall:
  - (a) describe the boundaries of the project area, subject to Section 17C-1-414, if applicable;
  - (b) contain a general statement of the land uses, layout of principal streets, population densities, and building intensities of the project area and how they will be affected by the project area development;
  - (c) state the standards that will guide the project area development;
  - (d) show how the purposes of this title will be attained by the project area development;
  - (e) be consistent with the general plan of the community in which the project area is located and show that the project area development will conform to the community's general plan;
  - (f) describe how the project area development will reduce or eliminate blight in the project area;

- (g) describe any specific project or projects that are the object of the proposed project area development;
  - (h) identify how a participant will be selected to undertake the project area development and identify each participant currently involved in the project area development;
  - (i) state the reasons for the selection of the project area;
  - (j) describe the physical, social, and economic conditions existing in the project area;
  - (k) describe any tax incentives offered private entities for facilities located in the project area;
  - (l) include the analysis described in Subsection (2);
  - (m) if any of the existing buildings or uses in the project area are included in or eligible for inclusion in the National Register of Historic Places or the State Register, state that the agency shall comply with Section 9-8-404 as though the agency were a state agency; and
  - (n) include other information that the agency determines to be necessary or advisable.
- (2) Each analysis under Subsection (1)(l) shall consider:
- (a) the benefit of any financial assistance or other public subsidy proposed to be provided by the agency, including:
    - (i) an evaluation of the reasonableness of the costs of the project area development;
    - (ii) efforts the agency or participant has made or will make to maximize private investment;
    - (iii) the rationale for use of tax increment, including an analysis of whether the proposed project area development might reasonably be expected to occur in the foreseeable future solely through private investment; and
    - (iv) an estimate of the total amount of tax increment that will be expended in undertaking project area development and the project area funds collection period; and
  - (b) the anticipated public benefit to be derived from the project area development, including:
    - (i) the beneficial influences upon the tax base of the community;
    - (ii) the associated business and economic activity likely to be stimulated; and
    - (iii) whether adoption of the project area plan is necessary and appropriate to reduce or eliminate blight.

Amended by Chapter 350, 2016 General Session

**17C-2-104 Existing and historic buildings and uses in an urban renewal project area.**

If any of the existing buildings or uses in an urban renewal project area are included in or eligible for inclusion in the National Register of Historic Places or the State Register, the agency shall comply with Section 9-8-404 as though the agency were a state agency.

Amended by Chapter 292, 2006 General Session

Renumbered and Amended by Chapter 359, 2006 General Session

**17C-2-105 Objections to urban renewal project area plan -- Owners' alternative project area plan -- Election if 40% of property owners object.**

- (1) At any time before the plan hearing, any person may file with the agency a written statement of objections to the proposed urban renewal project area plan.
- (2) If the record owners of property of a majority of the private real property included within the proposed urban renewal project area file a written petition before or at the plan hearing, proposing an alternative project area plan, the agency shall consider that proposed plan in conjunction with the project area plan proposed by the agency.
- (3)

- (a) If the record property owners of at least 40% of the private land area within the most recently proposed urban renewal project area object in writing to the proposed project area plan before or at the plan hearing, or object orally at the plan hearing, and do not withdraw their objections, an agency may not approve the project area plan until approved by voters within the boundaries of the agency in which the proposed project area is located at an election as provided in Subsection (3)(b).
- (b)
  - (i) Except as provided in this section, each election required under Subsection (3)(a) shall comply with Title 20A, Election Code.
  - (ii) An election under Subsection (3)(a) may be held on the same day and with the same election officials as an election held by the community in which the proposed project area is located.
  - (iii) If a majority of those voting on the proposed project area plan vote in favor of it, the project area plan shall be considered approved and the agency shall confirm the approval by resolution.
- (4) If the record property owners of 2/3 of the private land area within the proposed project area object in writing to the proposed project area plan before or at the plan hearing and do not withdraw their objections, the project area plan may not be adopted and the agency may not reconsider the project area plan for three years.

Amended by Chapter 350, 2016 General Session

**17C-2-106 Board resolution approving urban renewal project area plan -- Requirements.**

Each board resolution approving a proposed urban renewal project area plan as the project area plan under Subsection 17C-2-102(1)(a)(x) shall contain:

- (1) a boundary description of the boundaries of the project area that is the subject of the project area plan;
- (2) the agency's purposes and intent with respect to the project area;
- (3) the project area plan incorporated by reference;
- (4) a statement that the board previously made a finding of blight within the project area and the date of the board's finding of blight; and
- (5) the board findings and determinations that:
  - (a) there is a need to effectuate a public purpose;
  - (b) there is a public benefit under the analysis described in Subsection 17C-2-103(2);
  - (c) it is economically sound and feasible to adopt and carry out the project area plan;
  - (d) the project area plan conforms to the community's general plan; and
  - (e) carrying out the project area plan will promote the public peace, health, safety, and welfare of the community in which the project area is located.

Amended by Chapter 350, 2016 General Session

**17C-2-107 Urban renewal project area plan to be adopted by community legislative body.**

- (1) An urban renewal project area plan approved by board resolution under Section 17C-2-106 may not take effect until:
  - (a) it has been adopted by ordinance of the legislative body of the community that created the agency; and
  - (b) notice under Section 17C-2-108 is provided.
- (2) Each ordinance under Subsection (1) shall:

- (a) be adopted by the community legislative body after the board's approval of a resolution under Section 17C-2-106; and
- (b) designate the approved project area plan as the official urban renewal plan of the project area.

Renumbered and Amended by Chapter 359, 2006 General Session

**17C-2-108 Notice of urban renewal project area plan adoption -- Effective date of plan -- Contesting the formation of the plan.**

- (1)
  - (a) Upon the community legislative body's adoption of an urban renewal project area plan, or an amendment to a project area plan under Section 17C-2-110, the community legislative body shall provide notice as provided in Subsection (1)(b) by:
    - (i)
      - (A) publishing or causing to be published a notice in a newspaper of general circulation within the agency's boundaries; or
      - (B) if there is no newspaper of general circulation within the agency's boundaries, causing a notice to be posted in at least three public places within the agency's boundaries; and
    - (ii) posting a notice on the Utah Public Notice Website described in Section 63F-1-701.
  - (b) Each notice under Subsection (1)(a) shall:
    - (i) set forth the community legislative body's ordinance adopting the project area plan or a summary of the ordinance; and
    - (ii) include a statement that the project area plan is available for general public inspection and the hours for inspection.
- (2) The project area plan shall become effective on the date of:
  - (a) if notice was published under Subsection (1)(a), publication of the notice; or
  - (b) if notice was posted under Subsection (1)(a), posting of the notice.
- (3)
  - (a) For a period of 30 days after the effective date of the project area plan under Subsection (2), any person may contest the project area plan or the procedure used to adopt the project area plan if the plan or procedure fails to comply with applicable statutory requirements.
  - (b) After the 30-day period under Subsection (3)(a) expires, a person may not contest the project area plan or procedure used to adopt the project area plan for any cause.
- (4) Upon adoption of the project area plan by the community legislative body, the agency may carry out the project area plan.
- (5) Each agency shall make the project area plan available to the general public at the agency's office during normal business hours.

Amended by Chapter 350, 2016 General Session

**17C-2-109 Agency required to transmit and record documents after adoption of an urban renewal project area plan.**

Within 30 days after the community legislative body adopts, under Section 17C-2-107, an urban renewal project area plan, the agency shall:

- (1) record with the recorder of the county in which the project area is located a document containing:
  - (a) a description of the land within the project area;
  - (b) a statement that the project area plan for the project area has been adopted; and

- (c) the date of adoption;
- (2) transmit a copy of the description of the land within the project area and an accurate map or plat indicating the boundaries of the project area to the Automated Geographic Reference Center created under Section 63F-1-506; and
- (3) for a project area plan that provides for the agency to receive tax increment, transmit a copy of the description of the land within the project area, a copy of the community legislative body ordinance adopting the project area plan, and a map or plat indicating the boundaries of the project area to:
  - (a) the auditor, recorder, attorney, surveyor, and assessor of each county in which any part of the project area is located;
  - (b) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect the taxing entity's taxes through the county;
  - (c) the legislative body or governing board of each taxing entity;
  - (d) the State Tax Commission; and
  - (e) the State Board of Education.

Amended by Chapter 350, 2016 General Session

**17C-2-110 Amending an urban renewal project area plan.**

- (1) An urban renewal project area plan may be amended as provided in this section.
- (2) If an agency proposes to amend an urban renewal project area plan to enlarge the project area:
  - (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting a project area plan apply equally to the proposed amendment as if it were a proposed project area plan;
  - (b) for a pre-July 1, 1993 project area plan, the base year for the new area added to the project area shall be determined under Subsection 17C-1-102(9)(a)(i) using the effective date of the amended project area plan;
  - (c) for a post-June 30, 1993 project area plan:
    - (i) the base year for the new area added to the project area shall be determined under Subsection 17C-1-102(9)(a)(ii) using the date of the taxing entity committee's consent referred to in Subsection (2)(c)(ii); and
    - (ii) the agency shall obtain the consent of the taxing entity committee before the agency may collect tax increment from the area added to the project area by the amendment;
  - (d) the agency shall make a finding regarding the existence of blight in the area proposed to be added to the project area by following the procedure set forth in Subsections 17C-2-102(1)(a)(i) and (ii); and
  - (e) the agency need not make a finding regarding the existence of blight in the project area as described in the original project area plan, if the agency made a finding of the existence of blight regarding that project area in connection with adoption of the original project area plan.
- (3) If a proposed amendment does not propose to enlarge an urban renewal project area, a board may adopt a resolution approving an amendment to a project area plan after:
  - (a) the agency gives notice, as provided in Section 17C-1-806, of the proposed amendment and of the public hearing required by Subsection (3)(b);
  - (b) the board holds a public hearing on the proposed amendment that meets the requirements of a plan hearing;
  - (c) the agency obtains the taxing entity committee's consent to the amendment, if the amendment proposes:

- (i) to enlarge the area within the project area from which tax increment is collected;
  - (ii) to permit the agency to receive a greater percentage of tax increment or to extend the project area funds collection period, or both, than allowed under the adopted project area plan; or
  - (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to expand the area from which tax increment is collected to exceed 100 acres of private property; and
  - (d) the agency obtains the consent of the legislative body or governing board of each taxing entity affected, if the amendment proposes to permit the agency to receive, from less than all taxing entities, a greater percentage of tax increment or to extend the project area funds collection period, or both, than allowed under the adopted project area plan.
- (4)
- (a) An urban renewal project area plan may be amended without complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the amendment:
    - (i) makes a minor adjustment in the boundary description of a project area boundary requested by a county assessor or county auditor to avoid inconsistent property boundary lines; or
    - (ii) subject to Subsection (4)(b), removes a parcel from a project area because the agency determines that the parcel is:
      - (A) tax exempt;
      - (B) no longer blighted; or
      - (C) no longer necessary or desirable to the project area.
  - (b) An amendment removing a parcel from a project area under Subsection (4)(a)(ii) may be made without the consent of the record property owner of the parcel being removed.
- (5)
- (a) An amendment approved by board resolution under this section may not take effect until adopted by ordinance of the legislative body of the community in which the project area that is the subject of the project area plan being amended is located.
  - (b) Upon a community legislative body passing an ordinance adopting an amendment to a project area plan, the agency whose project area plan was amended shall comply with the requirements of Sections 17C-2-108 and 17C-2-109 to the same extent as if the amendment were a project area plan.
- (6)
- (a) Within 30 days after the day on which an amendment to a project area plan becomes effective, a person may contest the amendment to the project area plan or the procedure used to adopt the amendment to the project area plan if the amendment or procedure fails to comply with a provision of this title.
  - (b) After the 30-day period described in Subsection (6)(a) expires, a person may not contest the amendment to the project area plan or procedure used to adopt the amendment to the project area plan for any cause.

Amended by Chapter 350, 2016 General Session

## **Part 2**

### **Urban Renewal Project Area Budget**



**17C-2-201 Project area budget -- Requirements for adopting -- Contesting the budget or procedure -- Time limit.**

- (1)
  - (a) If an agency anticipates funding all or a portion of a post-June 30, 1993 urban renewal project area plan with tax increment, the agency shall, subject to Section 17C-2-202, adopt a project area budget as provided in this part.
  - (b) An urban renewal project area budget adopted on or after March 30, 2009 shall specify:
    - (i) for a project area budget adopted on or after March 30, 2009:
      - (A) the project area funds collection period; and
      - (B) the percentage of tax increment the agency is authorized to receive from the project area under the project area budget; and
    - (ii) for a project area budget adopted on or after March 30, 2013, unless approval is obtained under Subsection 17C-1-402(4)(b)(vi)(C), the maximum cumulative dollar amount of tax increment that the agency may receive from the project area under the project area budget.
- (2) To adopt an urban renewal project area budget, the agency shall:
  - (a) prepare a proposed project area budget;
  - (b) make a copy of the proposed project area budget available to the public at the agency's offices during normal business hours;
  - (c) provide notice of the budget hearing as required by Chapter 1, Part 8, Hearing and Notice Requirements;
  - (d) hold a public hearing on the proposed project area budget and, at that public hearing, allow public comment on:
    - (i) the proposed project area budget; and
    - (ii) whether the proposed project area budget should be revised, adopted, or rejected;
  - (e)
    - (i) if required under Subsection 17C-2-204(1), obtain the approval of the taxing entity committee on the proposed project area budget or a revised version of the proposed project area budget; or
    - (ii) if applicable, comply with the requirements of Subsection 17C-2-204(2);
  - (f) if approval of the taxing entity committee is required under Subsection (2)(e)(i), obtain a written certification, signed by an attorney licensed to practice law in this state, stating that the taxing entity committee followed the appropriate procedures to approve the project area budget; and
  - (g) after the budget hearing, hold a board meeting in the same meeting as the public hearing or in a subsequent meeting to:
    - (i) consider comments made and information presented at the public hearing relating to the proposed project area budget; and
    - (ii) adopt by resolution the proposed project area budget, with any revisions, as the project area budget.
- (3)
  - (a) For a period of 30 days after the agency's adoption of the project area budget under Subsection (2)(g), any person may contest the project area budget or the procedure used to adopt the project area budget if the budget or procedure fails to comply with applicable statutory requirements.
  - (b) After the 30-day period under Subsection (3)(a) expires, a person, may not contest:
    - (i) the project area budget or procedure used by either the taxing entity committee or the agency to approve and adopt the project area budget;
    - (ii) a distribution of tax increment to the agency under the project area budget; or

(iii) the agency's use of tax increment under the project area budget.

Amended by Chapter 350, 2016 General Session

**17C-2-202 Combined incremental value -- Restriction against adopting an urban renewal project area budget -- Taxing entity committee may waive restriction.**

- (1) Except as provided in Subsection (2), an agency may not adopt an urban renewal project area budget if, at the time the urban renewal project area budget is being considered, the combined incremental value for the agency exceeds 10% of the total taxable value of property within the agency's boundaries in the year that the urban renewal project area budget is being considered.
- (2)
  - (a) A taxing entity committee may waive the restrictions imposed by Subsection (1).
  - (b) Subsection (1) does not apply to an urban renewal project area budget if the agency's finding of blight in the project area to which the budget relates is based on a finding under Subsection 17C-2-303(1)(b).

Amended by Chapter 364, 2007 General Session

**17C-2-203 Part of tax increment funds in urban renewal project area budget to be used for housing -- Waiver of requirement.**

- (1)
  - (a) Except as provided in Subsections (1)(b) and (c), each urban renewal project area budget adopted on or after May 1, 2000, that provides for more than \$100,000 of annual tax increment to be paid to the agency shall allocate at least 20% of the tax increment for housing as provided in Section 17C-1-412.
  - (b) The 20% requirement of Subsection (1)(a) may be waived in part or whole by the taxing entity committee if the taxing entity committee determines that 20% of tax increment is more than is needed to address the community's need for income targeted housing.
  - (c) An agency is not subject to the 20% requirement described in Subsection (1)(a) if:
    - (i) an inactive industrial site is located within an urban renewal project area; and
    - (ii) the inactive industrial site's remediation costs are estimated to exceed 20% of the project area funds under the urban renewal project area budget.
- (2) An urban renewal project area budget not required under Subsection (1)(a) to allocate tax increment for housing may allocate 20% of tax increment received by the agency over the life of the project area for housing as provided in Section 17C-1-412 if the project area budget is under a project area plan that is adopted on or after July 1, 1998.

Amended by Chapter 350, 2016 General Session

**17C-2-204 Consent of taxing entity committee required for urban renewal project area budget -- Exception.**

- (1)
  - (a) Except as provided in Subsection (1)(b) and subject to Subsection (2), each agency shall obtain the consent of the taxing entity committee for each urban renewal project area budget under a post-June 30, 1993 project area plan before the agency may receive any tax increment from the urban renewal project area.

- (b) For an urban renewal project area budget adopted from July 1, 1998 through May 1, 2000 that allocates 20% or more of the tax increment for housing as provided in Section 17C-1-412, an agency:
  - (i) need not obtain the consent of the taxing entity committee for the project area budget; and
  - (ii) may not receive any tax increment from all or part of the project area until after:
    - (A) the loan fund board has certified the project area budget as complying with the requirements of Section 17C-1-412; and
    - (B) the board has approved and adopted the project area budget by a two-thirds vote.
- (2)
  - (a) Before a taxing entity committee may consent to an urban renewal project area budget adopted on or after May 1, 2000 that is required under Subsection 17C-2-203(1)(a) to allocate 20% of tax increment for housing, the agency shall:
    - (i) adopt a housing plan showing the uses for the housing funds; and
    - (ii) provide a copy of the housing plan to the taxing entity committee and the loan fund board.
  - (b) If an agency amends a housing plan prepared under Subsection (2)(a), the agency shall provide a copy of the amendment to the taxing entity committee and the loan fund board.

Amended by Chapter 350, 2016 General Session

**17C-2-205 Filing a copy of the urban renewal project area budget.**

Each agency adopting an urban renewal project area budget shall:

- (1) within 30 days after adopting the project area budget, file a copy of the project area budget with the auditor of the county in which the project area is located, the State Tax Commission, the state auditor, the State Board of Education, and each taxing entity affected by the agency's collection of tax increment under the project area budget; and
- (2) if the project area budget allocates tax increment for housing under Section 17C-1-412, file a copy of the project area budget with the loan fund board.

Renumbered and Amended by Chapter 359, 2006 General Session

**17C-2-206 Amending an urban renewal project area budget.**

- (1) An agency may by resolution amend an urban renewal project area budget as provided in this section.
- (2) To amend an adopted urban renewal project area budget, the agency shall:
  - (a) advertise and hold one public hearing on the proposed amendment as provided in Subsection (3);
  - (b) if approval of the taxing entity committee was required for adoption of the original project area budget, obtain the approval of the taxing entity committee to the same extent that the agency was required to obtain the consent of the taxing entity committee for the project area budget as originally adopted;
  - (c) if approval of the taxing entity committee is required under Subsection (2)(b), obtain a written certification, signed by an attorney licensed to practice law in this state, stating that the taxing entity committee followed the appropriate procedures to approve the project area budget; and
  - (d) adopt a resolution amending the project area budget.
- (3) The public hearing required under Subsection (2)(a) shall be conducted according to the procedures and requirements of Subsections 17C-2-201(2)(c) and (d), except that if the amended project area budget proposes that the agency be paid a greater proportion of tax increment from a project area than was to be paid under the previous project area budget,

- the notice shall state the percentage paid under the previous project area budget and the percentage proposed under the amended project area budget.
- (4) If the removal of a parcel under Subsection 17C-2-110(4)(a)(ii) reduces the base taxable value of the project area, an agency may amend the project area budget to conform with the new base taxable value without:
- (a) complying with Subsections (2)(a) and (3); and
  - (b) if applicable, obtaining taxing entity committee approval described in Subsection (2)(b).
- (5) If a proposed amendment is not adopted, the agency shall continue to operate under the previously adopted project area budget without the proposed amendment.
- (6)
- (a) A person may contest the agency's adoption of a budget amendment within 30 days after the day on which the agency adopts the amendment.
  - (b) A person who fails to contest a budget amendment under Subsection (6)(a):
    - (i) forfeits any claim against an agency's adoption of the amendment; and
    - (ii) may not contest:
      - (A) a distribution of tax increment to the agency under the budget amendment; or
      - (B) an agency's use of a tax increment under the budget amendment.

Amended by Chapter 350, 2016 General Session

**17C-2-207 Extending collection of tax increment in an urban renewal project area budget.**

- (1) An extension approved by a taxing entity or taxing entity committee before May 10, 2011, is not subject to this section.
- (2)
- (a) An agency's collection of tax increment under an urban renewal project area budget may be extended by:
    - (i) following the project area budget amendment procedures outlined in Section 17C-2-206; or
    - (ii) following the procedures outlined in this section.
  - (b) The base taxable value for an urban renewal project area budget may not be altered as a result of an extension under this section unless otherwise expressly provided for in an interlocal agreement adopted in accordance with Subsection (3)(a).
- (3) To extend under this section the project area funds collection period under a previously approved project area budget, the agency shall:
- (a) obtain the approval of the taxing entity through an interlocal agreement;
  - (b)
    - (i) hold a public hearing on the proposed extension in accordance with Subsection 17C-2-201(2)(d) in the same manner as required for a proposed project area budget; and
    - (ii) provide notice of the hearing:
      - (A) as required by Chapter 1, Part 8, Hearing and Notice Requirements; and
      - (B) including the proposed project area budget's extension period; and
  - (c) after obtaining the taxing entity's approval in accordance with Subsection (3)(a), at or after the public hearing, adopt a resolution approving the extension.
- (4) After the project area funds collection period expires, an agency may continue to receive project area funds from those taxing entities that agree to an extension through an interlocal agreement in accordance with Subsection (3)(a).
- (5)
- (a) A person may contest the agency's adoption of an extension within 30 days after the day on which the agency adopts the resolution providing for the extension.

- (b) A person who fails to contest an extension under Subsection (5)(a):
  - (i) shall forfeit any claim against the agency's adoption of the extension; and
  - (ii) may not contest:
    - (A) a distribution of tax increment to the agency under the budget, as extended; or
    - (B) an agency's use of tax increment under the budget, as extended.

Amended by Chapter 350, 2016 General Session

### **Part 3**

## **Blight Determination in Urban Renewal Project Areas**

### **17C-2-301 Blight study -- Requirements -- Deadline.**

- (1) Each blight study required under Subsection 17C-2-102(1)(a)(i)(A) shall:
  - (a) undertake a parcel by parcel survey of the survey area;
  - (b) provide data so the board and taxing entity committee may determine:
    - (i) whether the conditions described in Subsection 17C-2-303(1):
      - (A) exist in part or all of the survey area; and
      - (B) qualify an area within the survey area as a project area; and
    - (ii) whether the survey area contains all or part of a superfund site, an inactive industrial site, or inactive airport site;
  - (c) include a written report setting forth:
    - (i) the conclusions reached;
    - (ii) any recommended area within the survey area qualifying as a project area; and
    - (iii) any other information requested by the agency to determine whether an urban renewal project area is feasible; and
  - (d) be completed within one year after the adoption of the survey area resolution.
- (2)
  - (a) If a blight study is not completed within one year after the adoption of the resolution under Subsection 17C-2-101(1) designating a survey area, the agency may not approve an urban renewal project area plan based on that blight study unless it first adopts a new resolution under Subsection 17C-2-101(1).
  - (b) A new resolution under Subsection (2)(a) shall in all respects be considered to be a resolution under Subsection 17C-2-101(1) adopted for the first time, except that any actions taken toward completing a blight study under the resolution that the new resolution replaces shall be considered to have been taken under the new resolution.

Amended by Chapter 125, 2008 General Session

### **17C-2-302 Blight hearing -- Owners may review evidence of blight.**

- (1) In each hearing required under Subsection 17C-2-102(1)(a)(i)(C), the agency shall:
  - (a) permit all evidence of the existence or nonexistence of blight within the proposed urban renewal project area to be presented; and
  - (b) permit each record owner of property located within the proposed urban renewal project area or the record property owner's representative the opportunity to:
    - (i) examine and cross-examine witnesses providing evidence of the existence or nonexistence of blight; and

- (ii) present evidence and testimony, including expert testimony, concerning the existence or nonexistence of blight.
- (2) The agency shall allow record owners of property located within a proposed urban renewal project area the opportunity, for at least 30 days before the hearing, to review the evidence of blight compiled by the agency or by the person or firm conducting the blight study for the agency, including any expert report.

Amended by Chapter 364, 2007 General Session

**17C-2-303 Conditions on board determination of blight -- Conditions of blight caused by the participant.**

- (1) A board may not make a finding of blight in a resolution under Subsection 17C-2-102(1)(a)(ii)
  - (B) unless the board finds that:
    - (a)
      - (i) the proposed project area consists predominantly of nongreenfield parcels;
      - (ii) the proposed project area is currently zoned for urban purposes and generally served by utilities;
      - (iii) at least 50% of the parcels within the proposed project area contain nonagricultural or nonaccessory buildings or improvements used or intended for residential, commercial, industrial, or other urban purposes, or any combination of those uses;
      - (iv) the present condition or use of the proposed project area substantially impairs the sound growth of the municipality, retards the provision of housing accommodations, or constitutes an economic liability or is detrimental to the public health, safety, or welfare, as shown by the existence within the proposed project area of at least four of the following factors:
        - (A) one of the following, although sometimes interspersed with well maintained buildings and infrastructure:
          - (I) substantial physical dilapidation, deterioration, or defective construction of buildings or infrastructure; or
          - (II) significant noncompliance with current building code, safety code, health code, or fire code requirements or local ordinances;
        - (B) unsanitary or unsafe conditions in the proposed project area that threaten the health, safety, or welfare of the community;
        - (C) environmental hazards, as defined in state or federal law, that require remediation as a condition for current or future use and development;
        - (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for urban use and served by utilities;
        - (E) abandoned or outdated facilities that pose a threat to public health, safety, or welfare;
        - (F) criminal activity in the project area, higher than that of comparable nonblighted areas in the municipality or county; and
        - (G) defective or unusual conditions of title rendering the title nonmarketable; and
      - (v)
        - (A) at least 50% of the privately-owned parcels within the proposed project area are affected by at least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv); and
        - (B) the affected parcels comprise at least 66% of the privately-owned acreage of the proposed project area; or
    - (b) the proposed project area includes some or all of a superfund site, inactive industrial site, or inactive airport site.

- (2) No single parcel comprising 10% or more of the acreage of the proposed project area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of that parcel is occupied by buildings or improvements.
- (3)
  - (a) For purposes of Subsection (1), if a participant involved in the project area development has caused a condition listed in Subsection (1)(a)(iv) within the proposed project area, that condition may not be used in the determination of blight.
  - (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or tenant who becomes a participant.

Amended by Chapter 350, 2016 General Session

**17C-2-304 Challenging a finding of blight -- Time limit -- De novo review.**

- (1) If the board makes a finding of blight under Subsection 17C-2-102(1)(a)(ii)(B) and that finding is approved by resolution adopted by the taxing entity committee, a record owner of property located within the proposed urban renewal project area may challenge the finding by filing an action with the district court for the county in which the property is located.
- (2) Each challenge under Subsection (1) shall be filed within 30 days after the taxing entity committee approves the board's finding of blight.
- (3) In each action under this section, the district court shall review the finding of blight under the standards of review provided in Subsection 10-9a-801(3).

Amended by Chapter 364, 2007 General Session